

THACHER, PROFFITT & WOOD

40 WALL STREET

NEW YORK, N.Y. 10005

TELEPHONE (212) 483-5800

JOHN W. WHEELER
EDWARD C. KALAJDZIAN
KURT W. LOPE
JOHN B. McCUBBIN
STEPHEN B. WILSON
CORNELIUS S. VAN REES
PHILLIP C. BROUGHTON
EARL L. MARSHALL
ROBERT S. STITT
DWIGHT B. DEMERITT, JR.
O. GERARD GJERTSEN
RICHARD A. IKLE
ALBERT J. CARDINALI
LAWRENCE W. GOLDE
OMER S. J. WILLIAMS
STUART H. PRINGLE, JR.
CHARLES D. BROWN
JANET M. WHITAKER
DANIEL E. KIRSCH
RAYMOND S. JACKSON, JR.
THOMAS N. TALLEY
FRANCIS X. SULGER
STEPHEN T. WHELAN

J. FRANK WOOD
CHARLES W. LEWIS
JOHN D. BEALS, JR.
JOHN F. DAVIDSON
COUNSEL

RECORDATION NO. 10868-F Filed 1425

No. 5-2-5A170 OCT 22 1979-3 10 PM

Date OCT 22 1979 INTERSTATE COMMERCE COMMISSION

Fee \$ 10.00 + 4.00

ICC Washington, D. C. October 19, 1979

Ms. Agatha L. Mergenovich
Secretary of the Interstate
Commerce Commission
12th Street and Constitution
Avenue, N.W.
Washington, D.C.

RECEIVED
OCT 22 3:05 PM '79
FEE OPERATION BR.
I.C.C.

Re: Documents filed under Recordation
No. 10868 on October 5, 1979

Dear Madam:

I enclose for filing with the Interstate Commerce
Commission pursuant to 49 U.S.C. §11303, the following documents

LEASE AGREEMENT dated October 3, 1979

SUBLESSEE: SAN LUIS CENTRAL RAILROAD COMPANY
Monte Viste, Colorado

SUBLESSOR: INTERPOOL LIMITED

The above Lease Agreement was deleted from the original
filing, and this fact was so noted on our original transmittal
letter of October 5, 1979 (see attached copy).

In addition, I enclose a check in the amount of \$10.00
to cover the cost of recordation with the Secretary's office.

Please return the original and the remaining stamped
copies of the above document to me in the stamped, self-addressed
envelope enclosed.

Should you have any questions, please call me collect at
(212-483-5841).

Very truly yours

Charles A. Proffitt
Thacher, Proffitt & Wood
as Agent for Dollar Savings
Bank of New York

Interstate Commerce Commission
Washington, D.C. 20423

11/7/79

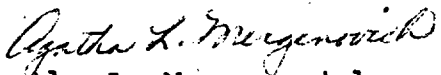
OFFICE OF THE SECRETARY

Thacher, Proffitt & Wood
40 Wall Street
New York, N.Y. 10005

Dear Sir:

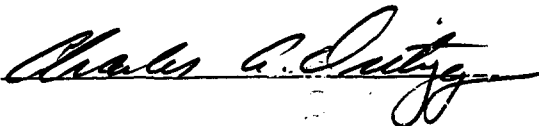
The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/22/79 at 3:10pm, and assigned re-recording number(s). 10868-E

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

The attached document has been compared to the original
and the undersigned has found it to be a true and correct copy
in all respects.

By 

CHARLES A. DIETZGEN
Notary Public, State of New York
No. 31-4670189
Qualified in New York County
Commission Expires March 30, 1980

LEASE AGREEMENT OCT 22 1979 -3 10 PM

DUPLICATE

INTERSTATE COMMERCE COMMISSION

THIS AGREEMENT MADE AND ENTERED INTO THIS 5TH DAY OF OCTOBER, 1979,
BY AND BETWEEN INTERPOOL, LTD., A BAHAMIAN CORPORATION, (HEREINAFTER REFERRED TO
AS A "LESSOR"), ACTING THROUGH ITS RAILPOOL DIVISION, AND SAN LUIS CENTRAL RAILROAD
COMPANY, A CORPORATION, WHOSE PRINCIPAL OFFICE IS LOCATED IN MONTE VISTE, COLORADO,
(HEREINAFTER REFERRED TO AS "LESSEE").

W I T N E S S E T H:

1. COVENANT OF LEASE. LESSOR AGREES TO PRESENT TO LESSEE, AND LESSEE
AGREES TO ACCEPT AND USE, UPON THE TERMS AND CONDITIONS HEREIN SET FORTH, THE
RAILROAD ROLLING STOCK IDENTIFIED IN APPENDIX A, WHICH BY THIS REFERENCE IS
MADE A PART HEREOF AS IF EXPRESSLY SET FORTH, (HEREINAFTER REFERRED TO AS THE
"CARS"). IN THE EVENT ANY CAR SUBJECT TO THIS AGREEMENT IS DAMAGED BEYOND
REPAIR OR DESTROYED, LESSOR, AT ITS SOLE OPTION, MAY SUBSTITUTE A CAR OF
SIMILAR TYPE AND CONSTRUCTION, SUBJECT TO THE TERMS OF THIS AGREEMENT, PROVIDED,
HOWEVER, THAT THIS PROVISION REGARDING SUBSTITUTION SHALL NOT ALTER, OR IN ANY
MANNER AFFECT THE DUTIES AND OBLIGATIONS OF THE PARTIES HERETO TO MAINTAIN AND
INSURE THE CARS.

2. MUTUAL CONSIDERATION AND TRUST. EXCEPT AS SET FORTH IN ARTICLE 19
OF THIS AGREEMENT, LESSOR SHALL RECEIVE ALL OF THE CAR REVENUES AS DEFINED HEREIN,
LESS ANY FEES OR EXPENSES AS SPECIFICALLY AUTHORIZED UNDER THIS AGREEMENT; LESSEE
SHALL HOLD ANY FUNDS DUE LESSOR IN TRUST FOR LESSOR, AS HEREINAFTER PROVIDED,
AND SHALL BE ENTITLED TO USE THE CARS ONLY WITHIN THE SCOPE OF THIS AGREEMENT.

3. TERM. THIS AGREEMENT SHALL COMMENCE ON OCTOBER 5, 1979 AND
ACCEPTANCE BY LESSEE, AND SHALL TERMINATE ONE YEAR AFTER SUCH DATE, UNLESS
MUTUALLY EXTENDED IN WRITING BY THE PARTIES.

THIS AGREEMENT GIVES NO EQUITY TO LESSEE, NOR ANY ENTITLEMENT TO EXTEND
OR RENEW THE TERMS OF THIS LEASE WITHOUT CONSENT OF LESSOR. NOTWITHSTANDING ANYTHING
CONTAINED IN THIS AGREEMENT TO THE CONTRARY, LESSEE SHALL NOT BE OBLIGATED TO PAY
ANY AMOUNTS TO LESSOR EXCEPT AMOUNTS RECEIVED WITH RESPECT TO THE CARS SUBJECT TO
THIS AGREEMENT.

BRO
BY

IT IS ACKNOWLEDGED BY THE PARTIES HERETO THAT LESSEE IS A RAILROAD AT THE TIME OF THE EXECUTION OF THIS AGREEMENT. IN THE EVENT THAT THE LESSEE IS A SUBSIDIZED RAILROAD AND AS A SUBSIDIZED RAILROAD IS TERMINATED DURING THE TERM HEREOF AND IN THE FURTHER EVENT THAT LESSEE IS UNABLE TO OBTAIN ANOTHER GUARANTEED GOVERNMENTAL SUBSIDY OR TO PROVIDE EVIDENCE TO LESSOR THAT LESSEE IS ABLE TO CONDUCT ITS OPERATIONS AT A PROFIT, THEN EITHER PARTY TO THIS AGREEMENT SHALL HAVE THE RIGHT TO SERVE WRITTEN NOTICE UPON THE OTHER PARTY HERETO OF TERMINATION OF THIS AGREEMENT. THIRTY (30) DAYS AFTER THE DELIVERY OF SUCH NOTICE, THE LEASE AND ALL TERMS AND CONDITIONS CONTAINED HEREIN SHALL TERMINATE, PROVIDED, HOWEVER, THAT UNTIL LESSOR'S CARS ARE PLACED WITH ANOTHER RAILROAD AND/OR MANAGER AND PAYMENT OF ALL REVENUES IS MADE TO SUCH NEW RAILROAD AND/OR MANAGER, LESSEE SHALL CONTINUE TO COLLECT AND HOLD ALL AMOUNTS RECEIVED WITH RESPECT TO THE CARS IN TRUST AS REQUIRED UNDER THIS AGREEMENT. LESSEE AGREES TO PROVIDE LESSOR WITH WRITTEN NOTICE WITHIN FIVE (5) DAYS OF ANY CHANGES IN LESSEE'S STATUS AS A SUBSIDIZED RAILROAD.

4. RAILROAD MARKINGS. THE PARTIES AGREE THAT ON OR AFTER THE DATE OF THE EXECUTION OF THIS AGREEMENT, LESSOR SHALL TAKE IMMEDIATE ACTION TO INSURE THAT THE CARS SHALL BE LETTERED WITH THE RAILROAD MARKINGS OF LESSEE. THE COST OF APPLICATION OF LESSEE RAILROAD MARKINGS SHALL BE BORNE BY LESSOR. SUCH NAME AND INSIGNIA SHALL COMPLY WITH ALL APPLICABLE REGULATIONS. ALL SUCH CARS SHALL ALSO BEAR THE FOLLOWING:

"OWNERSHIP SUBJECT TO A CONDITIONAL SALES
AGREEMENT AND OTHER DOCUMENTATION
FILED WITH THE INTERSTATE COMMERCE COMMISSION."

EACH CAR IDENTIFIED HEREUNDER SHALL BE REGISTERED BY LESSEE AT LESSOR'S COST, IN THE OFFICIAL RAILWAY EQUIPMENT REGISTER AND THE UNIVERSAL MACHINE LANGUAGE EQUIPMENT REGISTER.

5. RECORD KEEPING. LESSEE SHALL, DURING THE TERM OF THIS AGREEMENT, PREPARE ALL DOCUMENTS AND FILINGS RELATING TO THE REGISTRATION MAINTENANCE, AND RECORD KEEPING FUNCTIONS NORMALLY PERFORMED BY A RAILROAD WITH RESPECT TO RAILROAD ROLLING STOCK OF THE TYPE SUBJECT TO THIS AGREEMENT AND OWNED BY OR LEASED BY IT. SUCH MATTERS SHALL INCLUDE, BUT ARE NOT LIMITED TO, THE PREPARATION OF THE FOLLOWING DOCUMENTS: (I) APPROPRIATE AAR INTERCHANGE AGREEMENT WITH RESPECT TO THE CARS, AND (II) SUCH REPORTS AS MAY BE REQUIRED FROM TIME TO TIME BY THE ICC AND/OR OTHER REGULATORY AGENCIES WITH RESPECT TO THE CARS.

6. INSURANCE. LESSOR SHALL PROCURE CASUALTY AND PUBLIC LIABILITY INSURANCE NAMING LESSEE AND INTERPOOL, LTD. AS CO-INSURED IN AMOUNTS AND AGAINST RISKS OF NOT LESS THAN ONE MILLION DOLLARS (\$1,000,000.00) PER OCCURRENCE. LESSOR SHALL PROCURE ADEQUATE DOCUMENTATION OF HAVING SUCH INSURANCE AND PROVIDE LESSEE WITH THIS DOCUMENTATION OR COPY THEREOF.

7. RESTRICTION OF USE. LESSEE COVENANTS NOT TO PERMIT USE OF ANY CAR FOR THE TRANSPORTATION AND HANDLING OF COMMODITIES FOR WHICH THE CAR WAS NOT INTENDED.

8. MAINTENANCE. LESSEE SHALL MAINTAIN THE CARS, AND PROVIDE FOR THEIR REPAIR AT THE EXPENSE OF THE LESSOR, ACCORDING TO THE "CODE OF RULES GOVERNING THE CONDITIONS AND REPAIRS TO FREIGHT AND PASSENGER CARS FOR THE INTERCHANGE OF TRAFFIC" ADOPTED BY THE AAR, OPERATION AND MAINTENANCE DEPARTMENT, MECHANICAL DIVISION, NOW IN EFFECT AND AS HEREINAFTER MODIFIED, OR SUCH HIGHER STANDARDS OF MAINTENANCE AS AUTHORIZED OR INSTRUCTED BY LESSOR IN WRITING. TITLE TO ANY ALTERATIONS, IMPROVEMENTS, OR ADDITIONS SHALL BE AND REMAIN WITH THE LESSOR.

LESSOR SHALL HAVE THE RIGHT TO INSPECT THE CARS AT SUCH REASONABLE TIMES AND PLACES AS IT SHALL DESIRE, AND MAY ORDER, AT ITS EXPENSE, ALL ALTERATIONS, MODIFICATIONS OR REPLACEMENTS OF PARTS, AS IT SHALL DEEM NECESSARY TO MAINTAIN THE CARS IN GOOD OPERATING CONDITION THROUGHOUT THE TERM OF THE AGREEMENT OF SUCH CARS. SUCH ALTERATIONS, MODIFICATIONS OR REPLACEMENTS OF PARTS SHALL BE PERFORMED BY SUCH PERSONS AS LESSOR MAY SELECT FROM TIME TO TIME. LESSEE MAY DIRECT ALL SUCH BILLING TO LESSOR.

9. TAXES AND ASSESSMENTS. LESSOR AGREES TO REIMBURSE LESSEE FOR ALL PERSONAL PROPERTY AND ANY OTHER SUCH TAXES OR ASSESSMENTS ATTRIBUTABLE TO ITS CARS.

10. CAR REVENUES DEFINED. THE TERM "CAR REVENUES" AS USED HEREIN MEANS THE SUM OF MONIES COLLECTED FOR EACH CAR CONSISTING OF CAR HIRE EARNINGS (BASIC PER DIEM, INCENTIVE PER DIEM AND MILEAGE FEES) ACCORDING TO SCHEDULES ADOPTED BY THE ICC OR AAR AND ANY OTHER FEES SUCH AS DEMURRAGE.

11. CAR HIRE RELIEF AND OTHER COSTS. LESSEE MAY ALLOW RECLAIM OF CAR HIRE BY OTHER RAILROADS AND MAY INCUR FREIGHT CHARGES AND COSTS FOR MOVEMENT OF CARS UNDER CAR SERVICE RULES AS MAY BE REASONABLY NECESSARY OR UNAVOIDABLE IN THE MANAGEMENT OF THE CARS, AND LESSOR AGREES TO REIMBURSE LESSEE FOR ALL SUCH COSTS.

12. PAYMENT TO LESSOR. IT IS AGREED THAT ALL CAR REVENUES RECEIVED BY THIS LESSEE SHALL BE HELD BY THE LESSEE, IN TRUST FOR THE LESSOR, LESS THAT AMOUNT OF AUTHORIZED DISBURSEMENTS, WHICH MAY BE MADE BY LESSEE, FOR THE FOLLOWING: A) LESSEE'S MANAGEMENT FEE AS PERMITTED UNDER ARTICLE 20 OF THIS AGREEMENT; B) ARTICLE 8 (WITH RESPECT TO MAINTENANCE); C) ARTICLE 9 (WITH RESPECT TO TAXES); AND D) ARTICLE 11 (WITH RESPECT TO CAR HIRE RELIEF AND OTHER COSTS AS AUTHORIZED BY LESSOR). ANY OTHER DISBURSEMENTS SHALL BE ONLY UPON AUTHORIZATION BY LESSOR. EXCEPT AS SET FORTH IN ARTICLE 19, NET REVENUES DUE HEREIN TO LESSOR SHALL BE PAID TO LESSOR BY LESSEE ON A MONTHLY BASIS. SUCH REMITTANCE SHALL BE MADE TO LESSOR ON THE LAST DAY OF EACH MONTH, EXCEPT THAT FIVE PERCENT (5%) OF SUCH REMITTANCE MAY BE HELD BACK BY LESSEE AS A RESERVE. AT THE END OF EACH QUARTER, LESSEE SHALL PAY OVER TO LESSOR ANY UNUSED PORTIONS OF SUCH RESERVE, OR LESSOR SHALL REIMBURSE LESSEE FOR AMOUNTS EXPENDED BY LESSEE IN EXCESS OF THE FIVE PERCENT (5%) RESERVE, AS THE CASE MAY BE.

13. USE OF CARS. THE PARTIES ACKNOWLEDGE THAT THE CARS AS IDENTIFIED IN THE APPENDIX A ATTACHED TO THIS AGREEMENT WILL BE PLACED IN ASSIGNED USE WITH OTHER RAILROADS AND CAR USERS AT OR SHORTLY AFTER THE EXECUTION OF THIS AGREEMENT, PROVIDED, HOWEVER, THAT THE SAID CARS SHALL NOT BE PLACED IN ASSIGNED USE WITH ANY NON-UNITED STATES RAILROAD OR CAR USER. IT IS AGREED THAT THE LESSEE WILL REGULARLY REVIEW THE EARNING PERFORMANCE OF THE CARS IN THE VARIOUS ASSIGNED USES AND MAKE RECOMMENDATIONS TO THE LESSOR CONCERNING THIS PERFORMANCE AND ALTERNATIVE USES OF THE CARS WHICH MIGHT INCREASE CAR REVENUES, PROVIDED, HOWEVER, THAT THE LESSEE SHALL NOT AUTHORIZE OR ALLOW THE CHANGE IN ASSIGNMENT OR IN THE USE OF ANY CAR OR GROUPS OF CARS WITHOUT THE PRIOR WRITTEN CONSENT OF THE LESSOR HAVING FIRST BEEN OBTAINED. SHOULD CARS BE RETURNED TO LESSEE, THEY WILL BE FREE OF ANY RENTAL CHARGES; LESSEE, HOWEVER, WILL USE ITS BEST EFFORTS TO MOVE THE CARS TO THE NEW ASSIGNMENT POINT; AND FREIGHT CHARGES THEREIN WOULD BE HANDLED IN ACCORDANCE WITH PROVISIONS OF SECTION 12 HEREOF.

14. RIGHT TO REPOSITION CARS. LESSOR SHALL HAVE THE OPTION TO REPOSITION ANY CAR SUBJECT TO THIS AGREEMENT OR TO ENTER INTO A NEW AGREEMENT WITH RESPECT TO ANY CAR IF SAID CAR IS ON LESSEE'S TRACK FOR MORE THAN THIRTY (30) CONTINUOUS DAYS. ANY SUCH OPTION MUST BE EXERCISED WITHIN NINETY (90) DAYS FROM THE DATE SUCH OPTION ARISES AND ANY COST INCURRED AS A RESULT OF LESSOR EXERCISING ITS OPTION TO REPOSITION SUCH CARS SHALL BE PAID BY LESSOR.

SHOULD THE LESSOR REQUEST ITS CAR(S) TO BE REPOSITIONED TO LESSEE' HOME TRACK, ANY COST SO INCURRED SHALL BE PAID BY LESSOR. LESSOR'S FAILURE TO EXERCISE SUCH OPTIONS SHALL NOT CONSTITUTE A WAIVER OF ITS RIGHTS TO DO SO IN THE FUTURE.

15. DEFAULT.

A. THE OCCURRENCE OF ANY OF THE FOLLOWING EVENTS SHALL BE AN EVENT OF DEFAULT:

(I) THE NONPAYMENT BY EITHER PARTY OF ANY SUM REQUIRED HEREUNDER TO BE PAID BY OTHER PARTY WITHIN TEN (10) DAYS AFTER NOTICE THEREOF.

(II) THE DEFAULT BY EITHER PARTY UNDER ANY OTHER TERM, COVENANT, OR CONDITIONS OF THIS AGREEMENT WHICH IS NOT CURED WITHIN TEN (10) DAYS AFTER NOTICE THEREOF FROM OTHER PARTY.

(III) ANY AFFIRMATIVE ACT OF INSOLVENCY BY EITHER PARTY, OR THE FILING BY EITHER PARTY OF ANY PETITION OR ACTION UNDER ANY LAW OR LAWS FOR THE RELIEF OF, OR RELATING TO, DEBTORS.

(IV) THE FILING OF ANY INVOLUNTARY PETITION UNDER ANY BANKRUPTCY, REORGANIZATION, INSOLVENCY OR MORATORIUM LAW AGAINST EITHER PARTY THAT IS NOT DISMISSED WITHIN SIXTY (60) DAYS THEREAFTER, OR THE APPOINTMENT OF ANY RECEIVER OR TRUSTEE TO TAKE POSSESSION OF THE PROPERTIES OF EITHER PARTY, UNLESS SUCH PETITION OR APPOINTMENT IS SET ASIDE OR WITHDRAWN OR CEASES TO BE IN EFFECT WITHIN SIXTY (60) DAYS FROM THE DATE OF SAID FILING.

(V) THE SUBJECTION OF ANY OF EITHER PARTY'S PROPERTY TO ANY LEVY, SEIZURE, ASSIGNMENT, APPLICATION OR SALE FOR OR BY ANY CREDITOR OR GOVERNMENTAL AGENCY.

(VI) IN THE EVENT LESSOR'S CAR IS ON THE TRACKS OF THE LESSEE FOR A PERIOD IN EXCESS OF FORTY-FIVE (45) CONSECUTIVE DAYS WITHIN THE AFORESAID TWELVE (12) MONTH PERIOD, THERE SHALL BE A DEFAULT PERTAINING TO THAT CAR AND LESSOR MAY, AT ITS OPTION, TERMINATE THE LEASE AS TO SUCH CAR UPON TEN (10) DAYS WRITTEN NOTICE TO LESSEE.

(VII) EITHER PARTY'S FAILURE TO COMPLY WITH ANY GOVERNMENTAL REGULATION PERTAINING TO THE OPERATION OF THE CARS, SUBJECT TO THIS AGREEMENT, AFTER SIXTY (60) DAYS NOTICE FROM A GOVERNMENT AGENCY, UNLESS THE PARTY CONTESTS IN GOOD FAITH THE APPLICATION OF THE REGULATION ITSELF.

(B) UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT, EITHER PARTY MAY, AT ITS OPTION, TERMINATE THIS AGREEMENT AND MAY:

(I) PROCEED BY APPROPRIATE COURT ACTION TO ENFORCE PERFORMANCE BY EITHER PARTY OF THIS AGREEMENT OR TO RECOVER DAMAGES FOR A BREACH THEREOF AND THE LOSING PARTY AGREES TO BEAR ALL COSTS AND EXPENSES, INCLUDING REASONABLE ATTORNEY'S FEES, IN SECURING SUCH ENFORCEMENT), OR

(II) BY NOTICE IN WRITING TO LESSEE, TERMINATE LESSEE'S RIGHT OF POSSESSION OF THE CARS, WHEREUPON ALL RIGHT AND INTEREST OF LESSEE IN THE CARS SHALL TERMINATE; AND THEREUPON LESSOR MAY BY ITS AGENTS ENTER UPON ANY PREMISES WHERE THE CARS (OR CAR) MAY BE LOCATED AND TAKE POSSESSION OF THEM (OR IT) AND HENCEFORTH HOLD, POSSESS AND ENJOY THE SAME FREE FROM ANY RIGHT OF LESSEE. LESSOR SHALL NEVERTHELESS HAVE A RIGHT TO RECOVER FROM LESSEE ANY AND ALL FUNDS DUE BUT NOT YET PAID TO LESSOR UNDER THE TERMS OF THIS AGREEMENT, AND LESSEE SHALL STILL MAINTAIN ALL FUNDS OF LESSOR AS TRUST FUNDS AS REQUIRED HEREUNDER.

16. SUBSTITUTION OF EQUIPMENT.

A. IN THE EVENT ANY CAR SHALL BE (I) SO DAMAGED OR IN NEED OF REPAIR THAT LESSOR DEEMS IT UNECONOMICAL TO REPAIR THE SAME, OR (II) DAMAGED BEYOND REPAIR, OR (III) DESTROYED, OR (IV) LOST, LESSOR SHALL HAVE THE RIGHT TO SUBSTITUTE ANOTHER SIMILAR CAR OF EQUAL OR GREATER VALUE THEREFOR, PROVIDED, HOWEVER, THAT LESSOR SHALL NOT BE OBLIGATED TO MAKE THE SUBSTITUTION OF ANY CAR.

B. SHOULD LESSOR ELECT NOT TO REPLACE SAID DAMAGED, DESTROYED OR

LOST CAR, THEN PROVIDED THAT LESSEE IS NOT IN DEFAULT OF ANY PROVISIONS OF THIS AGREEMENT, THIS AGREEMENT SHALL TERMINATE AS TO SUCH CAR BUT SHALL CONTINUE AS TO THE REMAINING CARS. IN THE EVENT THAT THIS AGREEMENT IS TERMINATED AS PROVIDED UNDER THIS PARAGRAPH, LESSEE SHALL CONTINUE TO HOLD IN TRUST, UNTIL THE PAYMENT DATE REQUIRED IN ARTICLE 12 OF THIS AGREEMENT, ALL FUNDS DUE TO LESSOR WITH RESPECT TO THE DAMAGED, DESTROYED OR LOST CAR AS REQUIRED HEREUNDER.

17. PROHIBITION TO USE CARS AS COLLATERAL. LESSEE SHALL NOT UTILIZE THE CARS AS COLLATERAL NOR PERFORM OR PERMIT ANY LIEN OR ENCUMBRANCE OF WHATEVER NATURE TO BE IMPOSED ON ANY OF THE CARS; NOR SHALL LESSEE TAKE OR PERMIT ANY ACTION TO BE TAKEN WHICH WOULD OR COULD IN ANY MANNER AFFECT THE CLEAR TITLE OR INTEREST OF LESSOR IN SAID CARS EXCEPT FOR LIENS, IF ANY, ARISING FROM THE FAILURE OF THE LESSOR TO PAY FOR MAINTENANCE EXPENSES, TAXES, INSURANCE AND APPROVED CAPITAL IMPROVEMENTS.

18. ASSIGNMENTS BY LESSEE. LESSEE SHALL NOT ASSIGN OR TRANSFER ANY INTEREST IN THIS AGREEMENT WITHOUT THE PRIOR WRITTEN CONSENT OF THE LESSOR.

19. LESSOR'S ASSIGNMENT. LESSEE ACKNOWLEDGES THAT ALL RIGHTS BUT NONE OF THE OBLIGATIONS OF THE LESSOR HEREUNDER HAVE BEEN ASSIGNED, PLEDGED, MORTGAGED, TRANSFERRED, OR OTHERWISE DISPOSED OF TO: DOLLAR SAVINGS BANK OF NEW YORK ("DOLLAR"), 2530 GRAND CONCOURSE, BRONX, NEW YORK, AS SECURITY FOR THE OBLIGATIONS OF THE LESSOR AS LESSEE UNDER A LEASE OF RAILROAD EQUIPMENT DATED AS OF SEPTEMBER 1, 1979, WITH FIRST SECURITY BANK OF UTAH N.A. AS OWNER/TRUSTEE. NOTWITHSTANDING SUCH ASSIGNMENT, LESSEE SHALL PAY ALL AMOUNTS PAYABLE TO LESSOR UNDER THIS AGREEMENT UNTIL LESSEE SHALL HAVE RECEIVED WRITTEN NOTICE FROM DOLLAR THAT DOLLAR REQUIRES ALL SUCH PAYMENTS TO BE PAID DIRECTLY AND PROMPTLY TO DOLLAR. THE LESSEE'S INTEREST IN THE CARS PURSUANT TO THIS AGREEMENT SHALL BE SUBJECT AND SUBORDINATE TO THE SECURITY INTERESTS OF DOLLAR IN AND TO SUCH CARS.

20. MANAGEMENT FEES. A MANAGEMENT FEE WILL BE PAID IN THE FIXED AMOUNT OF TWENTY-FOUR THOUSAND DOLLARS (\$24,000.00) FOR EACH YEAR THIS AGREEMENT IS IN EFFECT, AND SHALL BE PAYABLE EACH MONTH AT THE RATE OF TWO THOUSAND DOLLARS (\$2,000.00) PER MONTH.

21. POOL MANAGER. WHEN THE CARS ARE ASSIGNED BY LESSEE TO ANOTHER RAILROAD, THAT RAILROAD SHALL BECOME THE POOL MANAGER AND MUST REGISTER THE ASSIGNED CARS WITH THE AAR AS APPROPRIATE.

22. COLLECTIONS. COLLECTION OF REVENUE DERIVED FROM THE EARNINGS OF THE CARS SHALL BE PERFORMED BY LESSEE, AND FUNDS DUE LESSOR SHALL BE PAID ON A MONTHLY BASIS. LESSOR WILL BE OBLIGATED TO REIMBURSE LESSEE FOR ANY PER DIEM RECLAIMS FOR WHICH LESSEE MAY BE CHARGED BY OTHER RAILROADS.

23. POWERS, DUTIES AND RESPONSIBILITIES OF LESSEE.

THE DUTIES OF THE LESSEE SHALL INCLUDE:

A. MANAGING THE CARS AND ARRANGING FOR MAXIMIZING UTILIZATION AND CAR HIRE REVENUES DERIVED FROM THE UTILIZATION OF THE CARS IN THE MANNER AS PROVIDED IN THIS AGREEMENT.

B. ARRANGING FOR MAINTENANCE OF THE CARS TO MAINTAIN THEIR GOOD QUALITY AT FAVORABLE PRICES.

C. PROVIDING LESSOR WITH AN ANNUAL STATEMENT ON OR BEFORE THE FOLLOWING JANUARY 1, FOR THE FISCAL YEAR ENDING NOVEMBER 30, OF THE EARNINGS OF THE CARS AND ALL PERTINENT TAX AND ACCOUNTING INFORMATION.

D. ADVISING THE LESSOR OF ANY PERTINENT CHANGES, ADVERSE OR BENEFICIAL, BOTH PHYSICAL AND LEGAL IN NATURE, WHICH COULD AFFECT THE INTEREST OF THE LESSOR IN ANY CAR.

E. PERFORMING ALL NECESSARY ADMINISTRATIVE ACTS TO ENSURE THE PROPER UTILIZATION OF SAID CARS AND THE PROTECTION OF THE LESSOR'S INTEREST THEREIN IN A MANNER CONSISTENT WITH THE TERMS OF THIS AGREEMENT.

F. HIRING ANY COMPANY OR FIRM TO ASSIST IT IN PROVIDING ACCOUNTING SERVICES AND LEGAL SERVICES OF A COLLECTION NATURE WITHOUT THE PRIOR APPROVAL OF THE LESSOR, AT NO COST TO THE LESSOR, UNLESS SUCH SERVICES SHALL BE PERFORMED AT THE REQUEST OF THE LESSOR.

G. DISTRIBUTING TO LESSOR (OR TO DOLLAR, AS MAY BE REQUIRED BY ARTICLE 19) ALL NET EARNINGS RECEIPTS, INCOME AND REVENUE RECEIVED BY THE LESSEE AND RESULTING FROM THE USE OF SAID CARS PROMPTLY, ON A MONTHLY BASIS. AT THE TIME OF EACH SUCH DISBURSEMENT, THE LESSEE WILL FURNISH TO THE LESSOR BY NUMBER A LIST OF CARS WHICH DURING THE REPORTING PERIOD SHALL HAVE BEEN ON NON-UNITED STATES TRACKS, INCLUDING THE NUMBER OF DAYS FOR EACH SUCH CAR WHICH DURING SAID REPORTING PERIOD EACH SUCH CAR HAS BEEN ON NON-UNITED STATES TRACKS.

24. RETURN OF CARS. UPON TERMINATION OF THIS AGREEMENT, CARS UNDER THIS AGREEMENT SHALL BE RETURNED TO SUCH DELIVERY POINT AS LESSOR SHALL DIRECT.

25. ADDITIONAL SERVICES. SHOULD THE LESSOR REQUEST THE LESSEE TO PERFORM ADDITIONAL SERVICES NOT EXPLICITLY STATED HEREIN, LESSEE, AT ITS OPTION, PERFORM SUCH SERVICES ON MUTUALLY ACCEPTABLE TERMS.

26. ACCOUNTING AND RECORDS. LESSEE SHALL CAUSE APPROPRIATE BOOKS AND RECORDS TO BE MAINTAINED ON BEHALF OF THE LESSOR RELATING TO THE MANAGEMENT OF THE CARS COVERED BY THIS AGREEMENT. THE LESSEE SHALL PROVIDE WRITTEN MONTHLY REPORTS OF TOTAL CAR REVENUES AND EXPENSES AS SPECIFIED IN THIS AGREEMENT IN CONNECTION WITH THE CARS.

27. NOTICES. NOTICES MAY BE GIVEN IN WRITING ADDRESSED TO THE RECIPIENT.

THE ADDRESS OF THE LESSEE IS:

SAN LUIS CENTRAL RAILROAD COMPANY
MONTE VISTE, COLORADO

THE ADDRESS OF LESSOR IS:

RAILPOOL
208 SOUTH LA SALLE STREET
CHICAGO, ILLINOIS 60604

ATTENTION: SHELDON LANDY, VICE PRESIDENT

A COPY OF ALL NOTICES SENT BY EITHER LESSEE OR LESSOR ALSO SHALL BE SENT AT THE SAME TIME TO DOLLAR AT ITS ADDRESS SET FORTH IN ARTICLE 19 AND TO: INTERPOOL, LTD., 630 THIRD AVENUE, NEW YORK, NEW YORK 10017.

28. MISCELLANEOUS. THIS AGREEMENT IS BINDING UPON AND FOR THE BENEFIT OF THE RESPECTIVE PARTIES AND DOLLAR. IN THE EVENT AN ACTION IS TAKEN TO ENFORCE THE TERMS HEREOF, THE PREVAILING PARTY SHALL BE ENTITLED TO RECOVER ALL EXPENSES OF SUCH ACTION, INCLUDING ATTORNEY'S FEES THEREFOR.

29. ARBITRATION. IN THE EVENT THAT A DISPUTE ARISES BETWEEN THE PARTIES TO THIS AGREEMENT WITH REGARD TO THE INTERPRETATION OF THIS AGREEMENT, IT SHALL BE SETTLED BY BINDING ARBITRATION IN ACCORD WITH THE LAWS OF THE STATE OF NEW YORK. THE NONPREVAILING PARTY MUST PAY THE EXPENSE OF ARBITRATION. EACH PARTY SHALL DESIGNATE ONE (1) ARBITRATOR AND TWO (2) ARBITRATORS SHALL DESIGNATE A THIRD (3RD). THE PANEL MUST BE SELECTED WITHIN THREE (3) WEEKS OF NOTICE OF EITHER PARTY REQUESTING ARBITRATION; SHOULD THE THIRD (3RD) ARBITRATOR NOT BE PICKED WITHIN THREE (3) WEEKS OF ORIGINAL NOTICE, THE AMERICAN ARBITRATION ASSOCIATION SHALL SELECT THE THIRD MEMBER. THE RULES OF THE AMERICAN ARBITRATION ASSOCIATION SHALL APPLY.

30. HEADINGS. THE SECTION HEADINGS IN THIS AGREEMENT ARE FOR THE CONVENIENCE OF REFERENCE ONLY AND SHALL NOT BE CONSIDERED TO BE A PART OF THIS AGREEMENT.

31. INVALIDITY OF A PROVISION. THIS AGREEMENT REFLECTS THE ENTIRE UNDERSTANDING OF THE PARTIES. IF ANY PROVISION HEREOF IS DEEMED INVALID, ILLEGAL, OR UNENFORCEABLE IN ANY RESPECT OR IN ANY JURISDICTION, THE VALIDITY, LEGALITY, AND ENFORCEABILITY OF THIS AGREEMENT IN OTHER RESPECTS AND IN OTHER JURISDICTIONS SHALL NOT BE IN ANY WAY IMPAIRED OR AFFECTED HEREBY.

32. AMENDMENTS AND REPRESENTATIONS. THIS AGREEMENT MAY BE AMENDED BY MUTUAL AGREEMENT IN WRITING. THERE ARE NO REPRESENTATIONS OR AGREEMENTS, ORAL OR IN WRITING, EXCEPT THOSE WHICH ARE SET FORTH IN THIS AGREEMENT.

33. GOVERNING LAWS. THIS AGREEMENT IS TO BE INTERPRETED UNDER THE LAWS OF THE STATE OF NEW YORK, THE INTERSTATE COMMERCE ACT, AND THE RULES AND REGULATIONS OF THE INTERSTATE COMMERCE COMMISSION, AND THE ASSOCIATION OF AMERICAN RAILROADS.

IN WITNESS WHEREOF, THE PARTIES HERETO, INTENDING TO BE LEGALLY BOUND, FOR THEMSELVES, THEIR SUCCESSOR OR ASSIGNS HEREBY AFFIX THEIR HANDS AND SEALS ON THE DATE AND YEAR FIRST ABOVE WRITTEN.

ATTEST:

LESSOR:

INTERPOOL, LTD., ACTING THROUGH ITS
RAILPOOL DIVISION

BY: _____
SECRETARY

BY: Richard W. Gross
RICHARD W. GROSS
VICE PRESIDENT AND TREASURER

ATTEST:

LESSEE:

SAN LUIS CENTRAL RAILROAD COMPANY

BY: _____

BY: E. A. Bunker
assistant to President

APPENDIX A TO LEASE

Type	AAR Mechanical Designation	Builder's Specifi- cations	Builder's Plant	Quantity	Lessee's Identification		Estimated Total Base Price	Estimated Unit Base Price	Estimated Time and Place of Delivery
					Numbers (Both Inclusive)	Estimated Unit Base Price			
50' 6" 70 ton single sheath Box Cars	XP	Substan- tially SK 971	Portland, Oregon	100	SLC 1000- 1099	\$41,357.72	\$4,135,772		October 5 to October 15, 1979 Portland, Oregon

CRAB
25

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

On the 11th day of October, 1979 before me personally came RICHARD W. GROSS, to be known, who being by me duly sworn, did depose and say that he resides at 19 Wood Hollow Road, Lawrenceville,; that he is an Vice President and Treas. of New Jersey Interpool Limited, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the By-Laws of said corporation, and that he signed his name thereto by like order.

Ellen E McCarron
Notary Public

ELLEN E. McCARRON
Notary Public, State of New York
No. 43-4651078
Qualified in Richmond County
Certificate filed in New York County
Commission Expires March 30, 1981

STATE OF ILLINOIS)
 : ss.:
COUNTY OF COOK)

On the 12th day of Oct. ., 1979, before me came E. A. Burkhardt, to me known, who being by me duly sworn, did depose and say that he resides at 573 Earlston Rd., Kenilworth, Illinois that he is Assistant to the President of San Luis Central Railroad Company a corporation, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the By-Laws of said corporation, and that he signed his name thereto by like order.

Lorraine Brady
Notary Public

My Commission Expires June 3, 1982



(212) 953-1614
TELEX 127999

RICHARD W. GROSS
VICE PRESIDENT AND TREASURER

INTERPOOL

630 THIRD AVENUE
NEW YORK, N. Y. 10017

